

110 EAST CHERRY AVENUE, FLAGSTAFF, AZ 86001
PHONE: 928-679-7962

Pursuant to House Bill 2001, known as the “Jobs Bill” which became law in June of 2011, the Coconino County Assessor has reviewed the ownership of a large number of residential properties to determine whether the owner of record uses the property as their primary residence or is using the property as a rental property, a second home, vacation home, or use that does not qualify as a primary residence. Over 35,000 residences were reviewed between July 2011 and February 2012.

The Arizona Department of Revenue provided the Assessor with the following definitions of Primary Residence and Qualifying Family Member to guide in the implementation of this law:

Primary Residence is your one and only main residence where you intend to reside more than nine months of the year. You can have only one primary residence no matter how many homes you own. If your home is used as a vacation home, rented to a non-qualified family member or if you have a homestead exemption for a home in another state, the listed home cannot qualify as a primary residence. It is normally the home where you reside with your spouse and/or children (if any), where you are registered to vote, that is listed on your driver’s license and near where you work.

Qualified Family Members include only a natural or adopted child or grandchild; a stepson or stepdaughter of the owner; the father or mother of the owner, grandparent or great grandparent of the owner; a stepfather or stepmother of the owner; a son-in-law, daughter-in-law, father-in-law or mother-in-law or; natural or adopted brother or sister of the owner.

The Assessor used A.R.S. § 42-12052, Intent to Reclassify Residential Property, as the vehicle to reclassify nearly 11,000 of the 35,000 reviewed in this process for the 2012 tax year.

It is the Assessor’s intention to continue with this process and actively pursue properties that the Assessor believes do not qualify as primary residences as described above. In addition to this process, the State Legislature, in their second regular session, recently changed portions of the above law to mandate that the Assessor during his elective term specifically mail notices to property owners of class three (3) properties – primary residences that have a mailing address outside of the county in which the property is located; have a mailing address that is different than the address of the property (excluding PO Boxes); have more than one class three property in this state; and/or appear to be a business entity.

The change in the law affects which properties are eligible for the “Homeowners Rebate”. To qualify for the “Homeowners Rebate” the property must be your Primary Residence and will be itemized as “Less State Aid to Education” in the 2012 tax summary of your tax bill. This rebate could be as low as \$200 but cannot exceed \$600.

Legal Classification	Description	Assessment	State Aid to Education
Class 03	Owner’s or Qualified Family Member’s Residence	10%	Yes
Four, Subclass One (4.1)	Non- Primary Residence	10%	No
Four, Subclass Two (4.2)	Residential-Rental (Not a Qualified Family Member)	10%	No

The Assessor would like to thank the property owners that willingly responded to the Intent to Reclassify Residential Property letters and forms and the staff of the Assessor's Office in their efforts to process and assist the property owners in the implementation of this new law.

Property owners, who have questions concerning this process, may call the Assessor's Office at 928 679-7962 or can visit our website for more information.

<http://www.coconino.az.gov/assessor.aspx?id=9902>